

Message Text

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E.O. 11652: N/A
TAGS: UNDP EAID
SUBJECT: 25TH UNDP GOVERNING COUNCIL: COUNTRY AND INTER-
COUNTRY PROGRAMMING AND PROJECTS (AGENDA ITEM 16) --
PART 2 OF 3

1. FOLLOWING IS THE STATEMENT DELIVERED BY USDEL-(SALES)
UNDER THE SUBJECT ITEM: U.S. STATEMENT ON PROGRAM
APPROVALS, JUNE 14, 1978:

2. BEGIN TEXT: MR. PRESIDENT:

I SHOULD LIKE AT THE OUTSET TO COMMEND THE UNDP SECRETARIAT
FOR THE SERIES OF ORAL PRESENTATIONS WHICH HAVE BEEN
GIVEN TO THIS COUNCIL. THE OPENING STATEMENT OF THE
ADMINISTRATOR, AND THE REMARKS OF MS. ANSTEE AND ALL OF
THE REGIONAL DIRECTORS HAVE ADDED DEPTH AND GIVEN
DIMENSION TO THE PROGRAM DOCUMENTS SUBMITTED TO THE
MEMBERS OF THE GOVERNING COUNCIL.

MY GOVERNMENT HAS, IN ADDITION, BEEN EXTREMELY WELL
IMPRESSED BY THE QUALITY OF THE SPECIAL STUDIES PREPARED
BY UNDP IN COLLABORATION WITH THE SPECIALIZED AGENCIES.
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THESE SUBSTANTIVE PAPERS SHED A NEEDED INTELLECTUAL
LIGHT ON A VARIETY OF TOPICS -- POVERTY-ORIENTED PRO-
GRAMS, RURAL DEVELOPMENT, THE INTEGRATION OF WOMEN IN
THE DEVELOPMENT PROCESS, DEVELOPMENT PLANNING, EVALUATION
OF ACTIVITIES IN THE TEXTILE INDUSTRY -- WHICH SHOULD
HELP GUIDE UN OPERATIONAL PROGRAMS TOWARDS A MORE
EFFECTIVE OUTPUT. IT IS ESSENTIAL THAT THESE TECHNICAL

STUDIES BE GIVEN THE WIDEST POSSIBLE DISSEMINATION AT THE FIELD LEVEL, INCLUDING THE RECIPIENT GOVERNMENTS. UNDP'S LEADERSHIP IN THE UN DEVELOPMENT SYSTEM DEPENDS IN NO SMALL MEASURE ON ITS ABILITY TO INITIATE SIMILAR STUDIES IN BROAD SECTORAL AREAS. THE SUPPORT AND COOPERATION OF THE AGENCIES IS OBVIOUSLY A NECESSARY ELEMENT.

MR. PRESIDENT, A REVIEW OF THE TRENDS AND DIRECTION OF THE TECHNICAL COOPERATION PROGRAMS OF THE UN DEVELOPMENT SYSTEM IN THE PAST YEAR, IN THE VIEW OF MY GOVERNMENT, CLEARLY REVEALS AN UNSALUTARY MOVEMENT, ONE WHOSE PURPOSE AND IMPLICATIONS SHOULD BE CAREFULLY EXAMINED. I REFER TO THE FACT THAT, TODAY, MOST OF THE FINANCIAL RESOURCES WHICH FLOW THROUGH THE SYSTEM DO NOT, I REPEAT NOT, GO THROUGH UNDP. WE ESTIMATE THAT LESS THAN 50 PERCENT OF DONOR GOVERNMENT CONTRIBUTIONS TO MULTILATERAL TECHNICAL COOPERATION PROGRAMS IS PROVIDED TO UNDP. IN OTHER WORDS, THROUGH FUNDS-IN-TRUST ARRANGEMENTS, MULTI-BI FUNDING, ETC., THE SPECIALIZED AGENCIES RECEIVE DIRECTLY OVER HALF OF THE TOTAL FINANCIAL RESOURCES OF THE UN DEVELOPMENT SYSTEM. MOREOVER, IF THE ACTIVE CAMPAIGNING OF THE AGENCIES FOR SUCH CONTRIBUTIONS CONTINUES TO SUCCEED UNDP'S SHARE WILL DIMINISH EVEN FURTHER.

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THE COMPETITION FOR LIMITED DONOR CONTRIBUTIONS HAS OBVIOUS IMPLICATIONS:

- (1.) THERE IS LESS MONEY AVAILABLE TO UNDP.
- (2.) AS AGENCIES VIE FOR EXTRA-BUDGETARY CONTRIBUTIONS, THEY NECESSARILY MUST DEMONSTRATE THEIR EFFECTIVENESS TO DONORS, AT THE EXPENSE OF THE UNDP PROGRAM. WE ARE AWARE, FOR EXAMPLE, OF ONE AGENCY WHICH BLATANTLY GIVES HIGHER PRIORITY TO THE IMPLEMENTATION OF FUNDS-IN-TRUST PROGRAMS. IT WOULD BE INTERESTING TO KNOW TO WHAT EXTENT UNDP'S \$90-ODD MILLION SHORTFALL IN DELIVERY LAST YEAR WAS ATTRIBUTABLE TO THIS FACTOR.
- (3.) AT THE FIELD LEVEL, FUNDS-IN-TRUST PROGRAMS COMPETE FOR SCARCE LOCAL MANPOWER AND BUDGETARY RESOURCES. TO WHICH PROGRAMS DO RECIPIENT GOVERNMENTS ACCORD PRIORITY?

THE RESOLUTION OF THIS MAJOR PROBLEM RESTS ESSENTIALLY AT THE FIELD LEVEL. IN THE FIRST PLACE, ON THE WILLING-

NESS OF THE RECIPIENT GOVERNMENT TO UTILIZE THE UNDP
RESIDENT REPRESENTATIVE TO ASSIST IN THE COORDINATION
OF ALL MULTILATERAL INPUTS, FOLLOWING THE PROGRAM
PRIORITIES OF THE GOVERNMENT. SECONDLY, ON THE WILLING-
NESS OF THE AGENCIES TO TAKE PART IN PERIODIC JOINT
PROGRAMMING EXERCISES. SOME PROGRESS IN THIS AREA WAS
NOTED IN THE ADMINISTRATOR'S OPENING REMARKS. AND
LASTLY, THE WILLINGNESS OF DONORS TO CONSULT WITH THE
RESIDENT REPRESENTATIVE IN ADVANCE OF MAKING COMMITMENTS.

THERE MAY STILL BE ANOTHER APPROACH TO THIS ISSUE, AND

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THIS WOULD DEPEND ON ALL OF THE FOREGOING PARTNERS,
THAT IS, FOR UNDP TO HELP FORMULATE A SERIES OF PROJECT
DOCUMENTS FOR WHICH FUNDING IS NOT NOW AVAILABLE AND ON
WHICH THE GOVERNMENT PLACES PRIORITY. THESE WOULD BE
PROJECTS "ON THE SHELF", ENTIRELY OUTSIDE AND IN
ADDITION TO THE IPF FRAMEWORK. DONORS READY TO PROVIDE
EXTRABUDGETARY CONTRIBUTIONS WOULD BE ABLE TO PICK AND
CHOOSE READY-MADE PROJECTS WHICH WOULD HAVE AN ESTAB-
LISHED RECIPIENT GOVERNMENT PRIORITY. TO BORROW THE
PHRASE USED YESTERDAY BY MR. ANDREW JOSEPH, UNDP WOULD
THEREBY BE SERVING AS "A MOBILIZER AND LOBBYIST FOR
DEVELOPMENT."

MR. PRESIDENT, ANOTHER ISSUE TO WHICH MY DELEGATION
WOULD LIKE TO DRAW THE COUNCIL'S ATTENTION CONCERNS THE
RATE OF COUNTRY PROGRAM APPROVALS. OUR CALCULATIONS
SHOW THAT NEARLY \$1.2 BILLION WILL HAVE BEEN APPROVED
BY THE COUNCIL BY THE END OF THIS SESSION, LEAVING A

LITTLE UNDER \$800 MILLION AGAINST TARGETTED LEVELS. IN OTHER WORDS, 60 PERCENT OF ANTICIPATED RESOURCES WILL HAVE BEEN COMMITTED BY THE END OF THE SECOND YEAR OF THE CURRENT PROGRAM CYCLE. TAKING INTO ACCOUNT THE SHORTFALL OF CONTRIBUTIONS TO UNDP TO DATE, AVERAGING A UNCLASSIFIED

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RATE OF 11 INSTEAD OF 14 PERCENT IN THE FIRST TWO YEARS, AND THE ACCUMULATION OF OVER \$50 MILLION ON NON-CONVERTIBLE CURRENCIES, PLUS ARREARAGES OF \$30 MILLION, IT IS CLEAR THAT THE COUNTRY PROGRAMS APPROVED CANNOT BE FULLY IMPLEMENTED UNLESS ADEQUATE RESOURCES ARE AVAILABLE. THE RATE OF PROJECT APPROVALS IS OF COURSE, RELATED TO THIS ISSUE. WHILE IT IS UNDERSTANDABLE THAT THE RATE HAS HAD TO INCREASE IN LIGHT OF LAST YEAR'S UNDER-DELIVERY, WE SHOULD NOT FORGET THE LESSONS OF 1974-75 WHEN A SIMILAR ACCELERATION TOOK PLACE.

SIGNIFICANTLY, SOME OF THE PROGRAM DOCUMENTS HAVE FULLY FUNDED IPFS. HAVE RELATIVELY LOWER PRIORITY PROJECTS BEEN IDENTIFIED IN THE EVENT OF A SHORTFALL IN RESOURCES?

OVERALL, MR. PRESIDENT, MY GOVERNMENT HAS BEEN PLEASED TO NOTE A MUCH HIGHER QUALITY OF COUNTRY PROGRAM DOCUMENTATION, PARTICULARLY AS COMPARED WITH THOSE SUBMITTED LAST JANUARY. IT IS EVIDENT THAT THE COMMUNICATIONS SENT BY UNDP HEADQUARTERS TO THE FIELD OFFICES AFTER THE LAST COUNCIL'S MEETING HAD THE DESIRED EFFECT. THE PRESENT SET OF DOCUMENTS LEANS TOWARD GREATER CONCENTRATION ON A LIMITED NUMBER OF SECTORS, AND WITHIN SECTORS, ON A RELATIVELY SMALL NUMBER OF PROJECTS. WE HAVE TAKEN NOTE THAT, IN GENERAL, THE EQUIPMENT COMPONENT OF PROJECTS IS IN BETTER BALANCE THAN SOME OF THOSE PRESENTED LAST JANUARY. WE NOTE ALSO THAT IMPROVEMENTS HAVE BEEN MADE IN EFFORTS TO FORMULATE THE COUNTRY PROGRAMS WITHIN THE OVERALL CONTEXT OF THE TECHNICAL AND FINANCIAL INPUTS INTO RECIPIENT GOVERNMENTS' DEVELOPMENT PLANS. WE BELIEVE IT WOULD BE USEFUL FOR PROGRAM DOCUMENTATION TO INCLUDE A BRIEF DESCRIPTION OF EXTERNAL CAPITAL ASSISTANCE, AS UNCLASSIFIED

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WELL AS TECHNICAL ASSISTANCE.

FOLLOWING OUR CUSTOMARY PRACTICE, DETAILED COMMENTS ON EACH OF THE COUNTRY PROGRAMS WILL BE SUBMITTED TO UNDP

FOR INFORMATION.

MR. PRESIDENT, MY DELEGATION WISHES TO ENDORSE ALL 12 OF THE COUNTRY PROGRAMS SUBMITTED TO THIS COUNCIL, AS WELL AS THE GLOBAL RESEARCH SOLAR PROJECT. THE LATTER SHOULD, HOWEVER, BE RELATED TO SIMILAR PROJECTS ALREADY COMPLETED AND OTHERS NOW UNDER WAY IN A NUMBER OF DEVELOPED AND DEVELOPING COUNTRIES. WE ALSO CONCUR IN IRAN'S COST-SHARING ACTIVITIES.

MY DELEGATION BELIEVES THAT THE UNDP SECRETARIAT SHOULD CAREFULLY REVIEW THE GOVERNMENT OF BENIN'S REQUEST FOR AN ADDITIONAL \$4 MILLION IN ITS IPF WITH A VIEW TO DETERMINING ALTERNATE SOURCES OF FINANCING. IN LIGHT OF MY EARLIER REMARKS, USE OF THE PROGRAM RESERVE IS QUESTIONED AT THIS TIME.

MY DELEGATION ALSO CONCURS IN THE ADMINISTRATOR'S RECOMMENDATION THAT THE REPORTING LEVEL FOR NEW PROJECTS AND SUPPLEMENTARY ASSISTANCE BE INCREASED FROM \$150,000 TO \$250,000. WE LOOK FORWARD TO FUTURE ANNUAL REPORTS WHICH WILL GIVE MORE COMPLETE INFORMATION ON APPROVAL ACTIONS.

IN CONCLUSION, MR. PRESIDENT, WHILE MY GOVERNMENT FULLY SHARES MR. MORSE'S ENTHUSIASM IN CONSIDERING UNDP'S POTENTIAL CONTRIBUTION TO DEVELOPMENT IN THE FUTURE, AND TO THE RARE OPPORTUNITY AFFORDED IT UNDER A RE-STRUCTURED UN DEVELOPMENT SYSTEM, WE ARE OF THE OPINION

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THAT THE PERIOD AHEAD WILL REQUIRE FURTHER PROGRAM
ADJUSTMENTS AND FINE TUNING. MS. ANSTEE IS QUITE RIGHT
IN HER JUDGMENT THAT THE COUNTRY PROGRAM PROCESS SHOULD,
INDEED MUST, CONTINUE TO GAIN MOMENTUM.

THANK YOU, MR. PRESIDENT. VANDEN HEUVEL

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